

Testimony

Senate Bill 2266

Senate Human Services Committee

Tuesday, January 25, 2005; 8:50 a.m.

North Dakota Department of Health

Good morning, Madam Chair and members of the Senate Human Services Committee. My name is Gary Garland, and I am director of the Office of Community Assistance for the North Dakota Department of Health. I am here to provide information about the State Community Matching Physician Loan Repayment Program (N.D.C.C. 43-17.2).

The North Dakota Department of Health administers the State Community Matching Physician Loan Repayment Program with the assistance of the University of North Dakota School of Medicine and Health Sciences. Currently, the program accepts as many as five new physicians per year and provides up to \$40,000 of educational loan repayments dollars to each physician. One-half of the loan repayment dollars are provided by the state general fund and the other half by the community in which the physician works (usually provided by a hospital/clinic). In exchange for the loan repayment dollars, each physician must provide four years of service.

In the current biennium, the Department of Health has a general fund appropriation of \$75,000 available for both the Physician Loan Repayment Program and the State Community Matching Loan Repayment Program for Nurse Practitioners, Physician Assistants and Certified Nurse Midwives (N.D.C.C. 43-12.2-01).

Since 1993 when the program began, 19 physicians have participated in the Physician Loan Repayment Program, serving in 12 North Dakota communities federally designated as shortage areas or with populations of fewer than 15,000 people. (An attachment showing the number of physicians by community is provided.)

Over the years, the number of physicians entering the program has fluctuated, as the following chart illustrates.

Biennium	Number of Physicians in Loan Repayment Program
1993 – 1995	8
1995 – 1997	2
1997 – 1999	3
1999 – 2001	5
2001 – 2003	0
2003 – 2005	1
2005 – 2007	1*

**Pending as of December 2004*

The low number of applicants, especially in recent years, has invited an assessment of the incentives within the current law. Senate Bill 2266 is designed to help attract more physicians into the program and into service in North Dakota communities by increasing the amount of money a physician loan repayment recipient may receive from \$40,000 (\$20,000 state funds and \$20,000 matching local funds) for four years of service to \$90,000 (\$45,000 state funds and \$45,000 matching local funds) for three years of service.

This concludes my testimony. I am happy to answer any questions you may have.